

CHALLENGES FACING ACCESSIBILITY OF CREDIT FACILITIES AMONG WOMEN OWNED ENTERPRISES IN NAIROBI CENTRAL BUSINESS DISTRICT IN KENYA

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ABSTRACT

Access to finance is a challenge to women micro and small enterprises. The challenge for women business owners is compounded by the multi-faceted gender related problems that inhibit their ability to access finance which even within the MSE sectors is one of the major factors accountable for hindering the emergence and growth of their businesses. According to the 2009 National MSEs Baseline Survey, there were 812,848 women in MSEs in Kenya, accounting for 47.4 per cent of all those in MSEs and 47% of the women entrepreneurs found in Nairobi. The study sought to determine challenges that women entrepreneurs are facing in accessing finance in Kenya focusing on urban women entrepreneurs within Nairobi Central Business District. Descriptive research was used to describe the general characteristic of the

study population and show the relationship between the dependent and independent variables. The target population was 1439 enterprises owned by women located in Nairobi Central business in construction, textile, food and beverages, consultancy and beauty enterprises. A sample of 10% was drawn from each stratum to get a sample size of 144 respondents. Primary data was collected using a questionnaire which was self-administered through drop and pick questionnaires to sampled members of the women owner's respondents. The data was then analysed using descriptive which included frequency, percentages, means and standard deviations. Data presentation was done by the use of pie charts, bar charts and graphs, percentages and frequency tables. For qualitative data, which was mainly gathered from open ended questions a qualitative data checklist was developed. The study revealed that lack of collateral, legislation status of the business, lack of financial track and lack of experience in financial management hinders women entrepreneurs from accessing credit facilities from the financial institutions. The study concludes that lack of information accessibility, insufficient skill and knowledge level, lack of collaterals required and socio-cultural roles had a strong and negative influence towards the accessibility of finance.

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